Using the ABC Model for Command Decision Making

Presented by:
Joel Hood
Dave Wilson

Business Performance Office Training, May 2004

Characteristics of Model

- Provides ownership by functional mgr/dept head
- Reflects responsibility of activity/process
- Quantitative activity drivers assist with unit cost, performance measures, benchmarking/scorecarding
- 7/37 in cost object module
- Identifies regulatory requirements

How We Update the Model

- One-on-One interviews w/departments
  - Validate FTEs, activities, attributes, and drivers
  - Conduct ABC/M training
- Manually input resources from SABRS/Computron
- Data calls
  - FTE, currently driven by % of time
  - Expense, currently driven by actual dollars
  - Activities, currently driven with quantitative drivers
    - No. of events, no. of 1348's, no. of hours

Using the ABC Model at MCAS Beaufort

- Consolidations
- Efficiency Reviews
- Process Improvements
- Regionalization
- Turnover Tool

Consolidations

- Budget accounting and recording
  - 3 billets eliminated
  - Lower error rates
- Copier contract
  - Tri-Command
  - $51k savings
- Military working dogs
  - MCRD / MCAS regionalization
- Boat maintenance
  - $3k+ annual savings

Efficiency Review / Process Improvement

- Animal control
  - Reduce manpower and training
  - Reduce supplies and admin costs
  - $33k savings first year
- SJA
  - Reduced CM process time by avg 50%
- Dining facility services
  - Reduced scope of service contract

Efficiency Review / Process Improvement

- Family housing change of occupancy maintenance
  - Outsource maintenance at peak periods
  - Reduced turnaround time by 30%, but…
- Hazardous material program
  - $139k annual savings, 4 FTE
  - Staff central hazmat facility 24 hrs with civilian at no net cost
  - Reduced hazmat handling – 76 tons in 1995, less than 20 tons 2003
- NREAO reporting
  - Emergency Planning and Community Right to Know Act
  - Contract to prepare reports cancelled, prepared in-house
  - Approx $39k saved annually

Efficiency Review / Process Improvement

- Aviation supply support
  - Reengineered turnaround for HH-46 repairable items
    - Use CH-46 IMA
    - Saves $58k annually
  - Stock inventory process review
    - 60% increase in stock availability
    - No cost
- In work
  - Home child care
  - Contract review

Other ABC Model Uses

- Identify regionalization opportunities
- Turnover Tool
  - Activities
  - Manpower
  - Resources

Lessons Learned

- Decision to change must be top-down driven until a culture change is effected
- Change proposal must have a strong advocate
- Mangers need to be taught and reminded that ABC only identifies areas for potential change

MCAS BFT

Questions ?